

UXA RESOURCES LTD

ACN 112 714 397

Annual Report 2015 including Audited Financial Statements
For the Year Ended 30 June 2015

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Review of Operations

UXA Resources Limited (UXA) is a mineral explorer for uranium and precious metals. The company is committed to further development of its flagship Nabarlek Uranium Project and Pandanus West Uranium Project in the Northern Territory and the Commonwealth Hill Gold Project in South Australia.

UXA was placed in Administration on 26 July 2013. On 22 November 2013 Palgrave Resources Ltd (an entity associated with the UXA directors) entered into a Deed of Company Arrangement with the Administrator of UXA, and control was handed back to the Company's directors. UXA completed its program of asset sales and project divestment and exited Administration on 5 May 2015.

At 30 June 2015 UXA held two granted Exploration Licences in the Northern Territory and one granted Exploration Licence in South Australia totalling approximately 1,416 km², and had a further eight Exploration Licence applications in the Northern Territory.

During the period under review, UXA continued to hold its exploration tenements and undertook a detailed compilation and review of past exploration activities on all exploration licences.



Fig 1. Location of UXA's 100% owned exploration projects

Review of Operations

Northern Territory Uranium Project

UXA's Northern Territory Uranium Project consists of two granted Exploration Licences and eight exploration license applications in two main areas, the Alligator River and the Westmoreland uranium provinces.

Nabarlek North EL 24868

The Nabarlek North tenement EL24868 is located in the Alligator River uranium province to the north of the Nabarlek Uranium mine, which operated from 1979-88 with a reported head grade of 1.86% U_3O_8 . The tenement is highly prospective for unconformity style uranium-copper-gold-platinum deposits, similar to the Nabarlek deposit, and has only been lightly explored.

During the 2012 and 2013 seasons UXA undertook a program of airborne and ground geophysical surveying, soil geochemical and radon sampling and preliminary RC percussion drilling. The airborne survey covered the whole tenement, but the remaining activities were focussed in three areas along the southern boundary of the tenement (Areas 1, 2 and 3). Over the two field seasons UXA completed 48 drill holes for 4,056 meters in these three areas.

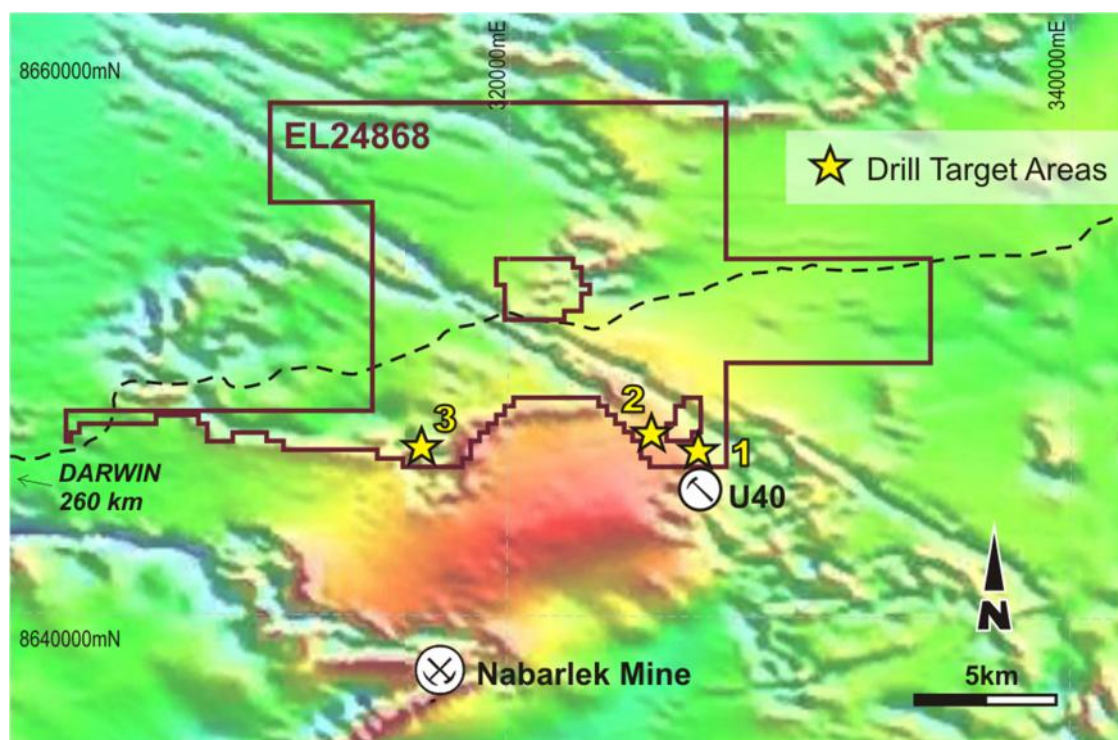


Fig 2. EL 24868 Nabarlek North showing exploration target areas.

Area 1 – Jagga Prospect

UXA commenced exploration at Area 1 (Jagga prospect) along the southern boundary of the tenement, targeting the potential northerly strike extension of the U40 mineralisation. Jagga is located only 280m north of a high-grade mineralisation discovery at the U40 prospect within the adjoining tenement to the south held by Cameco and Uranium Equities Ltd. Results from U40 include 6.8m @ 6.71% U_3O_8 , with 7.3m @ 1.68%Cu and 1.5m @ 0.54 g/t Pd and 0.24 g/t Pt from 50m vertical depth in the same hole. Another hole at U40 intersected 4.8m @ 1.85% U_3O_8 with 8.3m at 2.12%Cu, 3.1m @ 6.89 g/t Au and 2.6m @ 1.57 g/t Pd and 0.96 g/t Pt all within the same mineralised envelope. The geological setting and controls on the mineralisation is not known.

Review of Operations

UXA undertook a program of ground geophysical surveying, soil sampling and radon sampling over Area 1. UXA drilled a total of 40 RC holes mainly along three east-west lines immediately north of the U40 prospect. This drilling returned strongly anomalous results from gamma logging in 5 of the holes, with values of up to 1.3m @ 460ppm U_3O_8 and 2m @ 0.46% Cu with elevated U, Au and Pb in hole 12NNRC12. A number of shallow low-level U zones, and deeper U-Cu-Au-As mineralised zones were intersected and a number of strong sericite, chlorite and hematite alteration zones were identified, and require further follow up. Only minor geochemical assaying of the drill samples was undertaken.

Compilation and interpretation of the exploration results from Area 1 has identified the Jagga radon anomaly (defined at > 350 tracks/mm²) extending over a strike of approximately 500m, further west of the previous drilling and associated with areas of anomalous uranium and other metals in soils. The anomaly has not been drill tested.

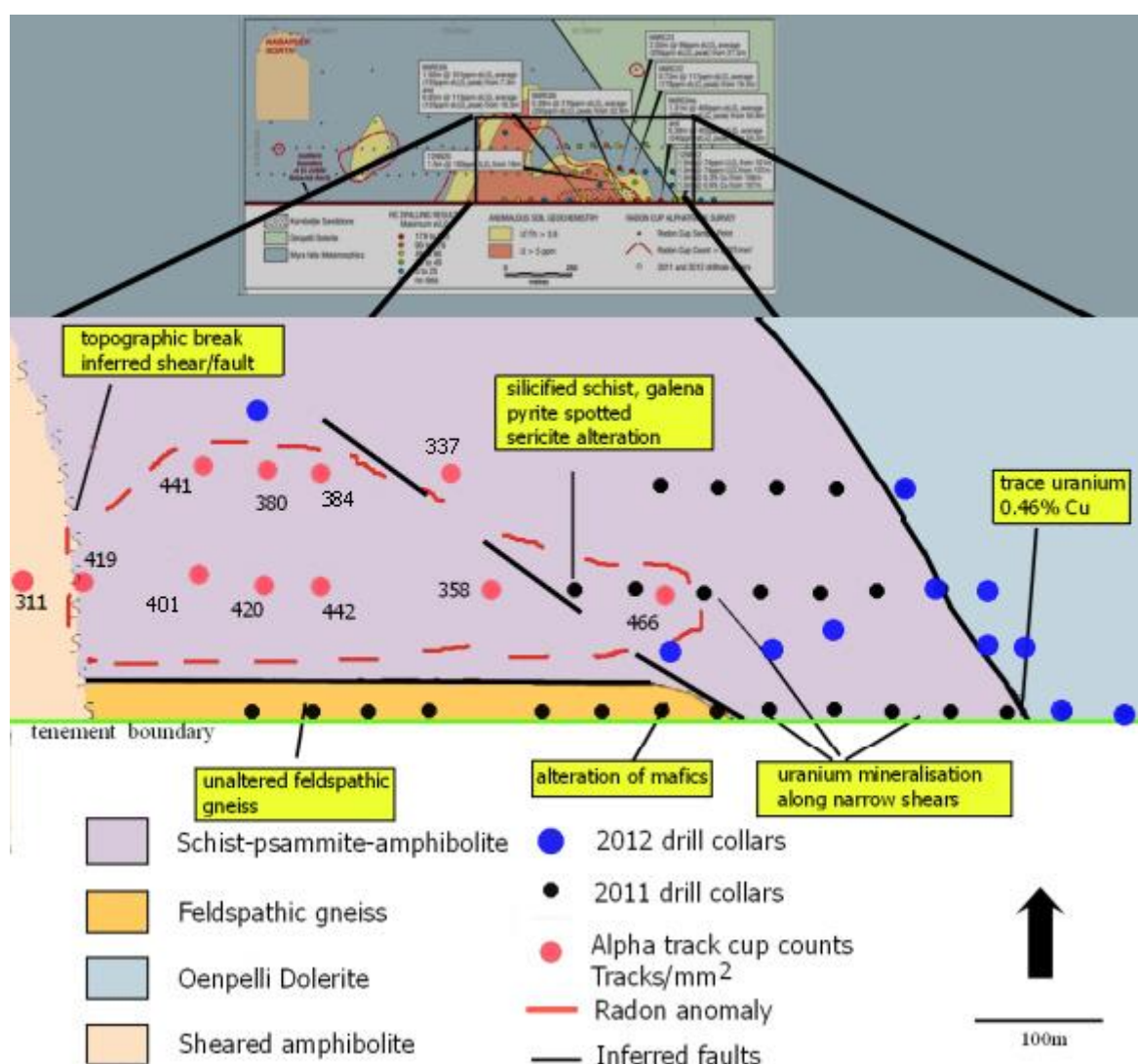


Fig 3. Revised interpretation of previously reported lithological and radon data showing the generalised geology, Jagga radon anomaly (red dashes at 350 tracks/mm²) and previous drilling.

Review of Operations

Area 2

Four RC holes were drilled in Area 2 during the 2013 financial year to test a previously identified anomalous soil geochemical sampling and radon zone. This area is located to the north of Area 1 along the Quarry Fault complex, as it approaches the regional Tor Fault. Drilling intersected a thick zone of clay (cover sequence) above a schist-amphibolite basement containing abundant quartz with trace amounts of sulphides. A significant quartz vein zone was also intersected. The drilling confirmed that the area is underlain by mica schists and amphibolites of the Myra Falls Metamorphics, and not Nimbuwah Granites as previously interpreted. Low scintillometer readings resulted in no samples being submitted for assay, but further work is required to fully assess the results.

Area 3 – Ororo prospect

Four RC holes were also drilled in Area 3 during the 2012 season, to test previously identified zones of anomalous soil geochemistry and high radon cup counts. The drilling program confirmed the presence of Oenpelli Dolerite and Myra Falls Metamorphic schists in the anomalous area, and two holes intersected significant fault zones comprising quartz breccia and hematitic alteration. Hole 12NNRC02 intersected 32m of fault material in two zones, although the orientation and true width of the zone is not known. Only a few intervals have been assayed, with only low level U and Cu values returned. Area 3 sits within the northern extension of the Nabarlek-Tip Fault Zones, which extends at least 7km south to the Nabarlek uranium mine (closed in 1988) which is regarded as a highly prospective structural corridor in the region.

A compilation of all historical exploration data in the Area 3 has indicated a number of coincident anomalous multi-element soil geochemical and radon zones extending over more than 1km in length. These zones have not been drill tested, and the relationship of the thick hematite zone in hole 12NNRC02 and the interpreted faults/lineaments to the anomalous results is not known.

Review of Operations

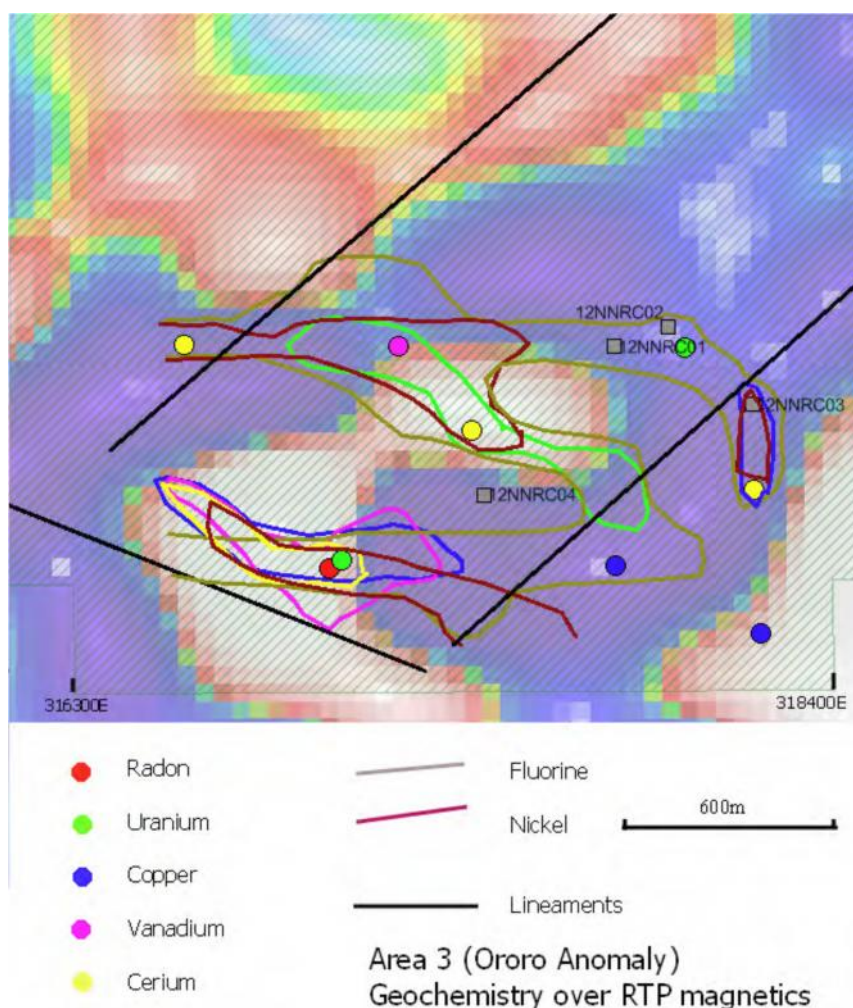


Fig 4. Map of Area 3 showing the Ororo radon anomaly (green line) and associated soils geochemical anomalies; inferred trends of faults and lineaments; and 2012 drill collars superimposed over airborne magnetic image.

Regional

Recompilation of previous geochemical sampling and shallow drilling over the broad tenement area was undertaken to evaluate the region. A number of geochemical zones anomalous for U, V, Ce and As have been delineated, and a number of early airborne radiometric anomalies for uranium exist. None of these have been followed up in detail.

Pandanus West (EL 24565)

The Pandanus West tenement is situated in the Murphy Inlier in the Northern Territory, an extension of the Westmoreland Uranium province across the border in Queensland, and is prospective for Westmoreland style uranium deposits. UXA holds one granted tenement (Pandanus West) of 960 sq km and three tenement applications in the area, all owned 100%. The tenement contains a large area of Proterozoic sediments and volcanics of the Murphy Inlier and McArthur Basin overlain and concealed by shallow Cainozoic, Tertiary and Recent sediments, as well as extensive weathering profiles.

Review of Operations

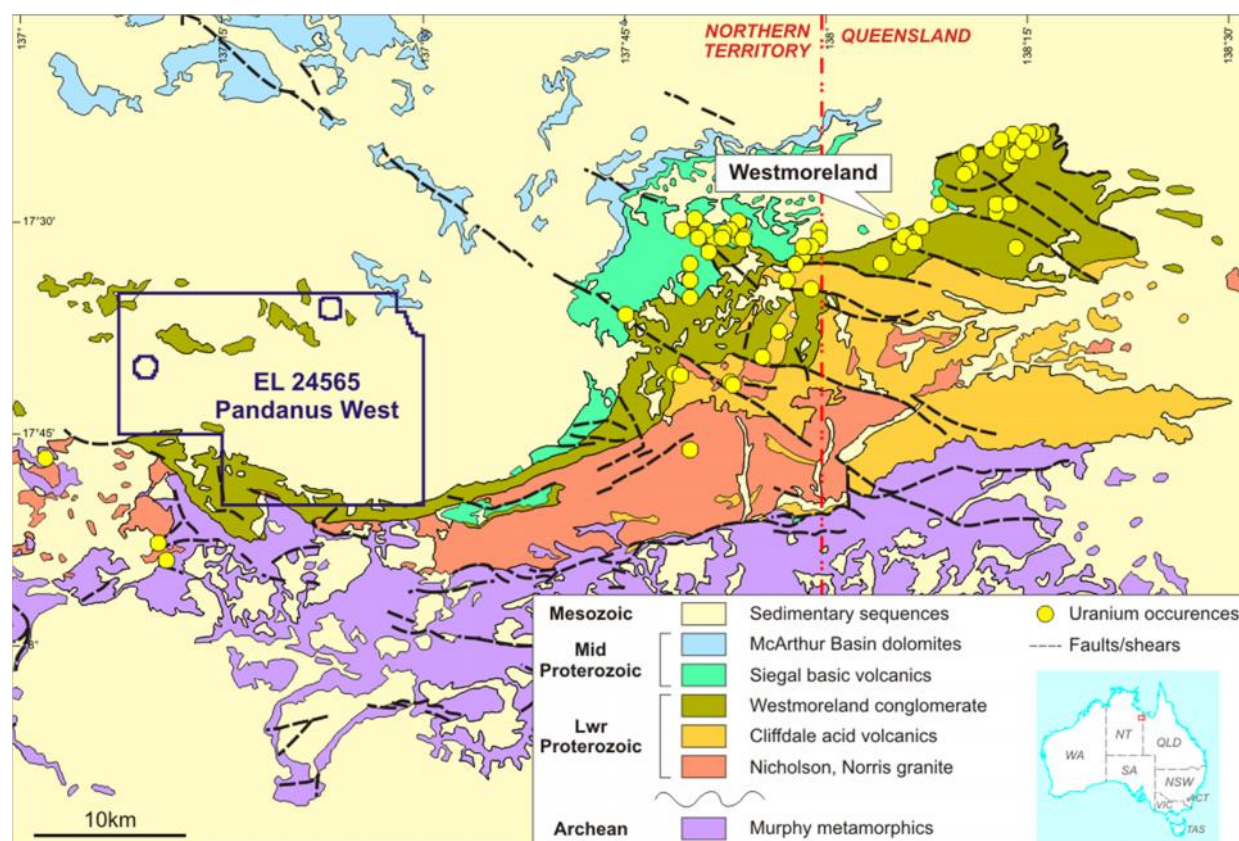


Fig 5. Location of EL 24565 Pandanus West showing regional mineralisation

UXA has previously flown a detailed 6,900 line km airborne magnetic and radiometric survey, and conducted reconnaissance ground mapping and sampling and preliminary investigation of uranium anomaly sources. This work has identified extensive areas of mid-Proterozoic basement rocks, including Westmoreland Conglomerate and Siegal Volcanics along the southern boundary of the tenement, and possibly also in the north and central areas of the tenement. This rock sequence hosts much of the uranium mineralisation in the Westmoreland area further to the east.

Previous exploration over the tenement by predominantly diamond exploration companies searching for kimberlite pipes has included stream sediment sampling, soil sampling and drill testing of predominantly geophysical targets. Compilation of this data during the year has identified areas of strong hematite and chlorite alteration located either at the base of an unknown sandstone-conglomerate unit overlying basic volcanics, or within the basic volcanic unit. This alteration is reflected by elevated base metal and As values, and by anomalous uranium levels. In these areas in the central west of the tenement, there has not been any previous detailed exploration for metalliferous mineralisation in the volcanic-sedimentary sequence.

Review of Operations

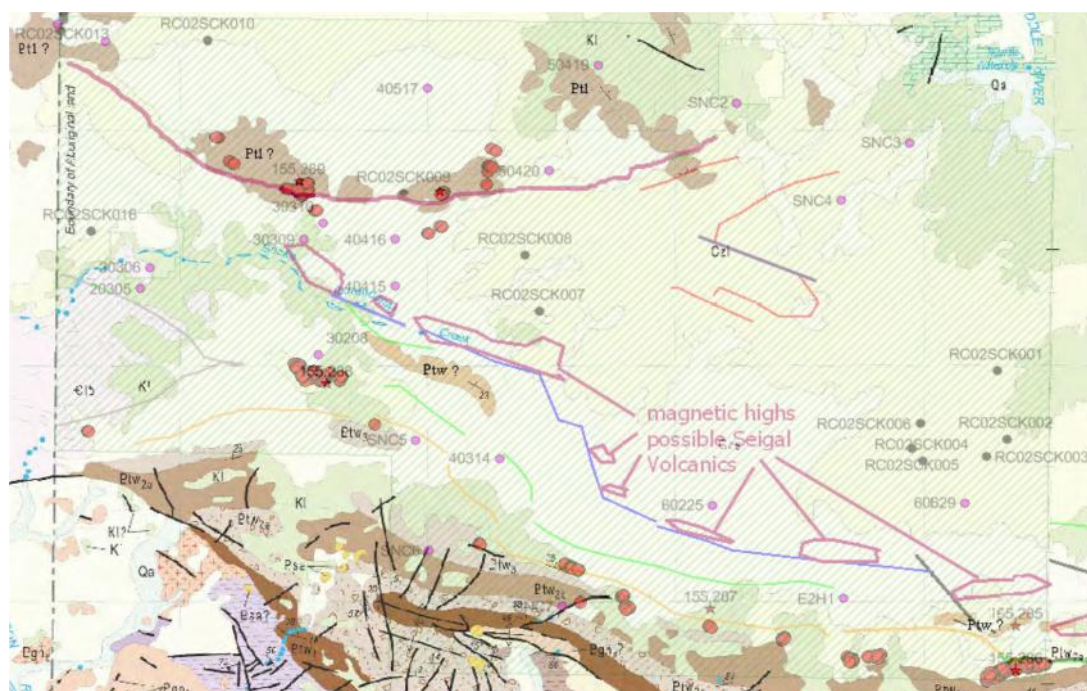


Fig 6. New interpretation of Pandanus West geology showing magnetic highs as possible upper lavas of the Seigal volcanics, the northern limit of the Seigal volcanics (purple arc with the Sly Creek Sandstone to the north), upper margin of PtW3 of the Westmoreland conglomerate (orange line) and resistive band of silicified sandstone PtW4 (green line). The map also shows RC02SCK drill collars of Rio Exploration (black dots), shallow auger holes (pink dots), and locations of UXA airborne uranium anomalies (>12 eU ppm, red dots).

Katherine North (ELA 24577)

The Katherine North tenement area was first applied for in 2005, and was placed in moratorium following previous attempts to engage with traditional owners and locals. The tenement is prospective for Cu-Au-U mineralisation. UXA has recommenced negotiations with traditional owners and the tenement is progressing to grant. The application is held 100% by UXA.

Commonwealth Hill (EL 4971)

The Commonwealth Hill tenement (EL4971) lies in the Green Zone of the Woomera Prohibited Area (WPA) in South Australia approximately 10km north of the operating Challenger Gold Mine. The property is prospective for lode gold deposits similar to that at the Challenger mine, and for sedimentary hosted uranium in the Garford palaeochannel which transects the northern part of the tenement. The tenement has only been lightly explored. The Company has previously held a native title mining agreement with the Antakirinja traditional owners and has previously held an access agreement with the Commonwealth Department of Defence allowing 309 days annual access. Both of these agreements need to be renewed before access to the tenement area can occur to conduct exploration.

Review of Operations

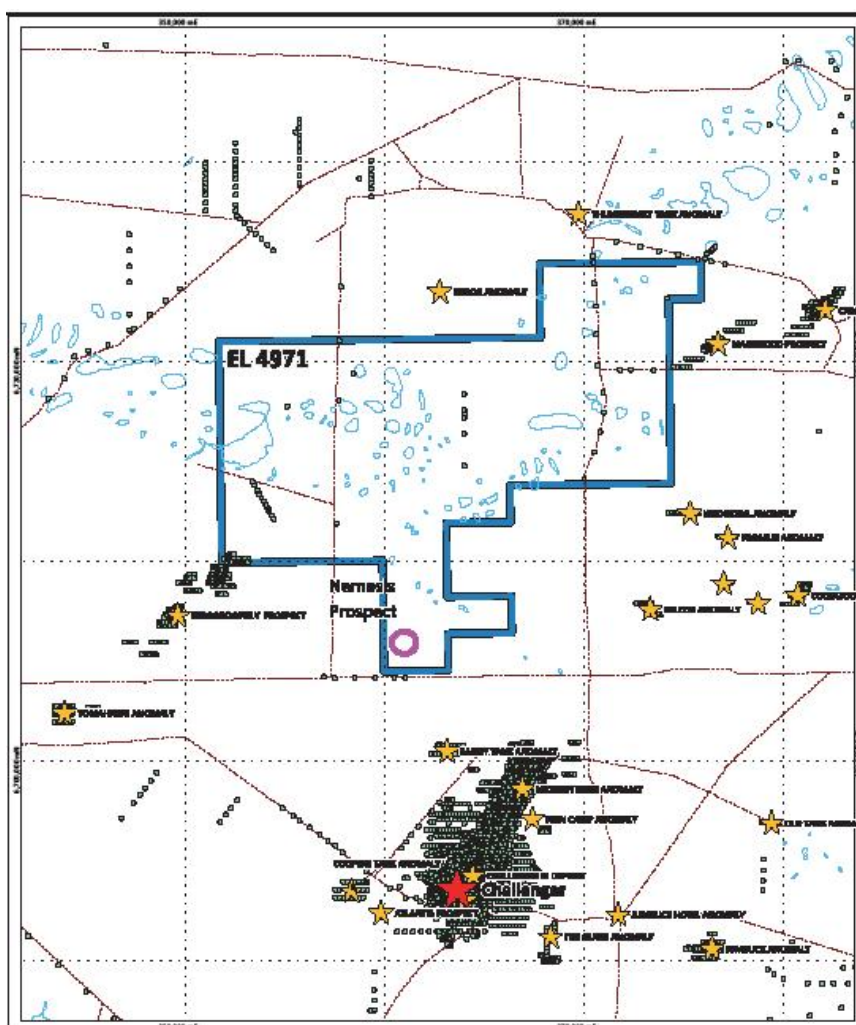


Fig 7. Location of EL 4971 Commonwealth Hill showing the location of the Nemesis gold prospect and the Challenger Gold Mine. Grid squares are 10 km.

Previous regional exploration over the tenement located a zone of near-surface gold mineralisation in the south of the tenement, termed the Nemesis prospect. At this location regional calcrete sampling and follow-up 400m grid sampling identified a 1km long gold in calcrete anomaly, with peak value 42 ppb. Blue quartz float at surface went up to 0.79 g/t Au, and saprolite samples contained significantly elevated C-Pb-Zn-Ni-As. Elsewhere, calcrete sampling has identified other Au and Cu-Pb-Zn-As anomalous zones.

Shallow drilling on 200m centres to an average depth of 36m at Nemesis has identified zones of low-level gold and Cu-Pb-Zn-As mineralisation within the saprolite cover, and within the highly folded gneissic basement. A number of the mineralised zones occur at the bottom of the holes.

Playford (EL 4927)

The company exited the Playford tenement (EL 4927) during the year under review.

Review of Operations

Tenement Schedule

Details of all Tenements held or which UXA has rights to at 30 June 2015

Exploration Licence Number	State	Name	Status	Date Application	Date Granted	Expiry	Area km ²
EL 24868	Northern Territory	Nabarlek North	Granted	02/02/2005	27/09/2010	26/09/2016	191
ELA 28241	Northern Territory	Nabarlek North "A"	Application	19/08/2005	-	-	13
ELA 28242	Northern Territory	Nabarlek North "B"	Application	19/08/2005	-	-	12
ELA 28243	Northern Territory	Nabarlek West "A"	Application	02/02/2005	-	-	47
ELA 28244	Northern Territory	Nabarlek West "B"	Application	02/02/2005	-	-	8
EL 24565	Northern Territory	Pandanus West	Granted	02/02/2005	18/05/2011	17/05/2017*	960
ELA 28690	Northern Territory	Pandanus West "A"	Application	02/02/2005	-	-	7
ELA 28691	Northern Territory	Pandanus West "B"	Application	02/02/2005	-	-	7
ELA 28692	Northern Territory	Pandanus West "C"	Application	02/02/2005	-	-	14
ELA 24577	Northern Territory	Katherine North	Application	02/02/2005	-	-	223
Sub-Total							1,482
EL 4971	South Australia	Commonwealth Hill	Granted	17/03/2011	08/08/2012	07/08/2016	265
Sub-Total							265
Grand Total							1,747

* currently subject to renewal

Competent Person Statement

Information presented in this report relating to Exploration Results was prepared and first disclosed by the Company under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous market announcements.

The information in this report that relates to Exploration Results is compiled by Mr David Walker, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Walker has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Walker consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Figures 3, 4, 5 and 6 in this report relating to Exploration Results have been compiled by Dr Alan Watchman, who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Watchman has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Watchman consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Directors' Report

The Directors of UXA Resources Ltd ("the Company") present their report together with the annual financial report of the Company, for the year ended 30 June 2015.

Directors

The Directors of the Company in office during or since the end of the year are:

Peter Hayden Hunt – appointed 26 August 2014
 David Anthony Walker – appointed 26 August 2014
 John Santich – appointed 26 August 2014
 Neill Fleming Arthur – resigned 26 August 2014
 Scott McKay – resigned 26 August 2014
 David Sutich – resigned 26 August 2014

Information on Directors

Name and qualifications	Experience, special responsibilities and other director relationships
Peter Hayden Hunt Non-Executive Chairman FCA, MICD	<p>Peter retired on 30 June 2011 as a partner of PKF Adelaide Chartered Accountants, and became a consultant to the firm which has since merged with BDO Australia. He is a member of the Institute of Chartered Accountants in Australia, and is an experienced company Director. He has been the Non-Executive Chairman of Intermin Resources Ltd for 25 years and is also a current Non-Executive Director of Metaliko Resources Limited (appointed 28 June 2012).</p> <p>Peter was previously a Director of Adelaide Energy Ltd (resigned December 2011) and MUI Corporation Ltd (resigned December 2011). Most recently, he was a director of Strzelecki Metals Ltd until its transformation into ASX listed Wolf Petroleum Ltd (resigned November 2012).</p> <p>He is also a member of the Audit Committee.</p> <p>Appointed 26 August 2014.</p> <p>Interest in shares 3,000,000 Ordinary Shares</p> <p>Interest in options 1,000,000 22 October 2017</p> <p style="padding-left: 40px;">Exercisable 10 cents</p> <p style="padding-left: 40px;">2,000,000 22 October 2019</p> <p style="padding-left: 40px;">Exercisable 15 cents</p>

Directors' Report

Name and qualifications	Experience, special responsibilities and other director relationships
<p>David Anthony Walker Managing Director BSc (Hons), MSc, MAusIMM</p>	<p>David gained a Master of Science degree from Oxford University and a Bachelor of Science (Hons) from the University of Melbourne, is a qualified Geologist and has worked in the Mining Industry as an Exploration Geologist, Mine Geologist, Mine Planning Engineer and Business Development Manager. Mr Walker has over 15 years professional experience in the stockbroking, corporate finance and resource banking areas, with specialist skills in resource technical and securities analysis. Mr Walker has been a rated equity analyst in the gold, diamonds, diversified resources and coal sectors.</p> <p>David was a founding Director of Regis Resources Ltd (a Perth based mineral explorer and producer), Auzeq Securities Ltd (an independent institutional resources research house), an Executive Director of ABN AMRO Australia Securities (the Australian arm of the global investment banking group), an Associate Director of CS First Boston Australia and a Manager with Rothschild Australia Ltd. In these capacities Mr Walker was involved with management of sales, trading and research, investment banking, proprietary trading activities, risk management and compliance. Mr Walker is a Member of the Australian Institute of Mining and Metallurgy and is the principal of Dalkeith Resources Pty Ltd and a Director of Tortuga Advisors Limited.</p> <p>Appointed 26 August 2014.</p> <p>Interest in shares 38,190,000 Ordinary Shares</p> <p>Interest in options 6,000,000 22 October 2017</p> <p style="padding-left: 40px;">Exercisable 10 cents</p> <p style="padding-left: 40px;">7,000,000 22 October 2019</p> <p style="padding-left: 40px;">Exercisable 15 cents</p>
<p>John Santich Non-Executive Director BE, M Engsc, PhD, Dip Law, M Soc Sc</p>	<p>John is an engineer and lawyer with over four decades' experience in mining geosciences and industry. His qualifications in engineering, including a PhD in rock mechanics, are from the University of NSW, in law from the University of Sydney and the NSW Barristers Admission Board (he was admitted in South Australia in 1983) and in social science from the University of South Australia. Dr Santich was raised in Broken Hill and has been an active participant in the minerals industry as a researcher and lecturer in Australia and overseas and as a promoter and executive director of ASX listed companies, most recently Marathon Resources Ltd (resigned June 2008) and Strzelecki Metals until its</p>

<p>John Santich (cont)</p>	<p>transformation into ASX listed Wolf Petroleum Ltd (resigned November 2012).</p> <p>As well as a founder and/or director of a number of successful listed exploration companies including Burmine Limited, Minotaur Gold, Marathon Resources and Strzelecki Mining (acquired by Strzelecki Metals), Dr Santich he has established listed and private companies in other technological areas, including bottled water, machine vibration analysis and renewable energy. He has worked on and assessed mining projects in Australia and overseas and specializes in company start ups, from concept through initiation and commercialization. He is also a member of the Audit Committee.</p> <p>Appointed 26 August 2014.</p> <p>Interest in shares 3,000,000 Ordinary Shares</p> <p>Interest in options 1,000,000 22 October 2017</p> <p style="padding-left: 100px;">Exercisable 10 cents</p> <p style="padding-left: 100px;">2,000,000 22 October 2019</p> <p style="padding-left: 100px;">Exercisable 15 cents</p>
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Directors' Report

Name and qualifications	Experience, special responsibilities and other director relationships
<p>Neill Fleming Arthur Chairman <i>Eur Ing</i> BE Chem.(Hons), FAusIMM, C Eng, FICHe, FAICD</p>	<p>Neill was Chairman of Granite Power Limited until September 2013; Chairman of Metallum Resources PLC (UK) until 2012; and Chairman of Ambre CTL Ltd until March 2012. From January 2005 until December 2010 he was a Director of The Australasian Institute of Mining and Metallurgy (The AusIMM); until March 2006, Director of Superior Coal Limited; formerly CEO of ASX 200 listed and unlisted organisations in Australia and overseas; currently or formerly advisor on energy and infrastructure issues to a number of government bodies in Australia and overseas; and a professional mentor.</p> <p>Neill was appointed as a Director and Chairman of the Board on 17 February 2005/Resigned 26 August 2014.</p> <p>Other listed company Directorships held during past 3 years: Nil</p>
<p>Scott McKay Non-Executive Director <i>BA, CA</i></p>	<p>Scott is a chartered accountant and has spent 33 years in Europe, China and Australia in Leadership and Consulting roles specializing in supply chain in a range of projects. His roles have included Finance Director, Chief Executive and General Manager Supply Chain roles and in delivery in brownfield and greenfield projects in Mining, Oil and Gas, Metals, Agriculture, Industrial and Consumer Good Sectors.</p> <p>Scott was an executive with the Resources Group in Aurecon until June 2013 and lead the Bulk Commodity Supply Chain group internationally as well as having a business development and client relationship management role with BHP Billiton and has been involved with the Olympic Dam project locally. He has also led mergers and acquisitions and held roles on remuneration and audit sub-committees.</p> <p>Appointed 29 March 2012/Resigned 26 August 2014.</p>
<p>David Sutich Non-Executive Director <i>BEng</i></p>	<p>David is an electrical engineer and wireline specialist with 18 years of business and operational management experience working with the major international oilfield services company Schlumberger across the Middle East, Asia and Australia.</p> <p>David has extensive global business development experience in the high technology resources services industry.</p> <p>Appointed 29 March 2012/Resigned 26 August 2014.</p>

Directors' Report

Company Secretary

Graham Seppelt

Mr Graham Seppelt was appointed as Company Secretary on 1 December 2009.

Mr Seppelt has had extensive experience as a contract accountant and in corporate advisory roles. He is currently company secretary for Legend Corporation Limited, BSA Limited and Australian Zircon NL.

Principal Activities

UXA Resources Limited (ASX:UXA) is a diversified explorer that has exploration tenements in the Northern Territory and South Australia located in world class mining provinces.

Review and Result of Operations and State of Affairs

The profit after income tax amounted to \$123,283 (2014: \$30,472 Loss). During the year ended 30 June 2015 the Company had 68,084,255 shares on issue.

Summary of Arrangement UXA Resources Limited (subject to Deed of Company Arrangement) – Effectuated 5th of May 2015

On 26 July 2013 UXA was placed into voluntary administration and the Administrator was appointed. The securities of the Company had, on 1 October 2012, been suspended from trading on the Official List of the ASX.

Prior to being placed into Administration, UXA carried out mineral exploration in South Australia, the Northern Territory and New South Wales. The Company had subsidiary companies involved in businesses ancillary to mineral exploration, namely down-hole logging of drill holes in Australia and USA. The Company was listed on the ASX to provide investors with exposure to a range of mineral exploration projects as well as to subsidiaries involved in related businesses.

On 5 November 2013 a Deed of Company Arrangement (DOCA) was approved by creditors to deal with the claims of creditors and the DOCA was executed on 22 November 2013 and the Administrator was appointed the Deed Administrator of the DOCA.

At the time it was placed in Administration, the Company had already sold its down-hole logging businesses but had insufficient cash to continue operations. Since that time non-core exploration has been exited and debts owing to US based investment firms Lind Partners LLC as general partner of ASOF and La Jolla Cove Investments Inc. under separate convertible note funding agreements have been resolved.

On 5 May 2015 the DOCA was fully effectuated and the Company exited administration. Due to the DOCA all existing provable debts against the Company were released, extinguished and barred, with Admitted Creditors' claims only able to be met from the assets of the Creditors' Trust in accordance with the terms of the DOCA and the Creditors' Trust Deed.

The Company is now under the control of the new directors appointed on 26 August 2014 and is seeking to raise further funds to complete its recapitalisation. Completion of the recapitalisation will provide working capital which will allow the Company to continue its existing exploration activities on its key properties and to pursue new projects by way of acquisition or investment. Subject to the satisfaction of certain conditions imposed by the ASX, the Company will be in a position to have its Shares reinstated to trading on the Official List of the ASX.

Directors' Report

Forgiveness of Creditors' Claims

As part of the DOCA a Creditors' Trust with the Deed Administrator as Trustee was established for the benefit of the Creditors into which the balance of funds paid under the DOCA (after payment of administration fees and expenses) was paid. Under the DOCA, the claims of the Admitted Creditors against the Company are released and extinguished by the payments from the Deed Fund to the eligible creditors or Creditors Trust and the admitted creditors will become beneficiaries of the Creditors Trust.

The DOCA has now been fully effectuated with the above payments having been made to the Creditors Trust

Dividends

No dividends were paid or declared by the Company since the end of the previous financial year and no dividend is recommended for the current year (2014: nil).

Events Subsequent to Reporting Date

Prospectus – Shareholder Purchase Plan (SPP)

On the 10th of August 2015 the Company lodged with ASIC a Shareholder Purchase Plan Prospectus to raise up to \$3,200,000. The purpose of the Offer is to provide the Company with the required funding to actively explore the Projects and to fund its exploration business. An Interim Stop Order on the Prospectus was granted by ASIC and announced to the ASX on 28 August 2015. On 25 September 2015 ASIC withdrew the Interim Stop Order and a Replacement Share Purchase Plan Prospectus was released.

The Offer is open to Eligible Shareholders. The Offer is for the issue of up to 32 million Shares at the subscription price of \$0.10 per Share to raise up to \$3.2 million.

Eligible Shareholders are those registered as shareholders on the Record Date which is 31 July 2015, the business day before the announcement of the Offer.

Each shareholder may apply for a minimum of 5,000 shares (\$500 at the issue price) up to a maximum of 150,000 shares (\$15,000 at the issue price).

The directors have the right to place the Shortfall, shares not taken up by shareholders, to professional investors.

The Shares that are offered under this Prospectus are fully paid ordinary shares in the Company and will rank equally with the Shares on issue at the date of this Prospectus.

The offer is non-renounceable and is not underwritten.

Directors' Report

General Meeting of Shareholders

A General Meeting of Shareholders of the Company held on 7 September 2015 approved all resolutions 1 to 8 set out in a Notice of Meeting dated 3 August 2015. The following resolutions will have an affect of the financial accounts of the Company for the year ended 30 June 2016:

- Resolution 2, issue of shares under a Prospectus
Approval was given for the Company to raise up to \$3.2 million under a Prospectus through the issue of shares at an issue price of 10 cents per share which if the maximum is raised would result in an additional 32 million shares on issue
- Resolution 6, issue of options in payment of loan establishment fees
Approval was given for the issue of 10 million options to Dalkeith Resources Pty Ltd in lieu of payment of loan establishment fees being (i) 5 million options over ordinary shares in the Company exercisable at \$0.10 per share at any time up to 22 October 2017 and (ii) 5 million options over ordinary shares in the Company exercisable at \$0.15 per share at any time up to 22 October 2019.
- Resolution 7, conversion of loan to shares
Approval was given for the issue of 5 million shares within one month of approval to Dalkeith Resources Pty Ltd in lieu of loan repayment. Dalkeith has the right to convert up to \$250,000 at a price of \$0.05 per share.

Environmental Regulation

The Company's project areas are located on exploration licences ("ELs") issued by the Department of Primary Industries South Australia (SA) and Department of Mines and Energy (NT) and operate under environmental licences issued by the Environmental Protection Authority. These licences require the preparation of an annual Environmental Management report as well as periodic rehabilitation reports as exploration proceeds.

The Company has a statutory obligation to protect the environment in areas in which it was and is exploring. During the reporting period, the Company met its obligations pursuant to environmental legislation.

Corporate Governance Statement

This Corporate Governance Statement of UXA Resources Limited (the 'Company') has been prepared in accordance with the 3rd Edition of the Australian Securities Exchange's (ASX's) Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council's ('ASX Principles and Recommendations'). The company's ASX Appendix 4G, which is a checklist cross-referencing the ASX Principles and Recommendations to the relevant disclosures is contained on our website at [www.uxaresources.com.au/corporate-governance].

Directors' Report

Meetings of Directors

The following table sets out the number of meetings of the Company's Directors during the year ended 30 June 2015 and the number of meetings attended by each Director.

	Board Meetings		Audit Committee Meetings		Remuneration & Nomination Committee Meetings	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Peter Hunt	5	5	-	-	-	-
David Walker	5	5	-	-	-	-
John Santich	5	5	-	-	-	-
Neill Arthur - Resigned	-	-	-	-	-	-
Scott McKay - Resigned	-	-	-	-	-	-
David Sutich - Resigned	-	-	-	-	-	-

The audit and remuneration and nomination committee did not meet during the year. The board of directors considered these matters as a whole.

Non-audit services

No non-audit services were provided by the Company's auditor during the current financial year.

Details of the amounts paid or payable to the auditor for audit services provided during the year are set out below.

Audit services	2015 \$	2014 \$
Remuneration for audit and review of financial reports under the Corporations Act 2001:		
- KPMG ⁽¹⁾	-	100,000
- Grant Thornton	32,170	20,000
Non Audit Services		
Research and Development tax related services	NIL	NIL

⁽¹⁾ Related to fees for the audit of the 2013 financial year

Remuneration report – Audited

5.1 Principles of compensation

The Chairman and the other non-executive Directors together have the authority and responsibility for directing and controlling the activities of the Company and are therefore considered key management personnel. The Company Secretary is also considered key management personnel. The Company has not appointed any other key management personnel who participate in making decisions affecting the whole or a substantial part of the business of the Company or its financial standing.

In accordance with the Company's Constitution, the existing Shareholders of the Company have determined in General Meeting that the maximum total remuneration for Non-Executive Directors is to be no more than \$300,000 per annum.

Remuneration levels of the Board and Managing Director are approved by the Board. In doing so, the Board seeks to retain the professional services of Directors as it requires, at reasonable market rates, and seeks external advice and market comparisons where necessary. The Board has not engaged the services of any remuneration consultants for the year ended 30 June 2015.

The company had no other employees during the year ended 30 June 2015.

Directors' Report

5.1 Principles of compensation (cont)

No fees, performance-based bonuses or option-based remuneration was made to Directors during 2015. At the 2014 AGM 99.9% (2013 AGM 93.9%) of the votes received supported the adoption of the remuneration report for the year ended 30 June 2014. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Directors' and other key management personnel remuneration

Directors

2015 (\$)	Short-term			Post - employment			Share – based payments	TOTAL	Value of options as proportion of remuneration (%)
	Salary	Fees / comms	Total	Super-annuation benefits	Long Service Leave	Retirement Benefit	Options		
Peter Hunt ⁽¹⁾	-	41,666	41,666	-	-	-	-	41,666	-
David Walker ⁽¹⁾	-	41,666	41,666	-	-	-	-	41,666	-
John Santich ⁽¹⁾	-	41,666	41,666	-	-	-	-	41,666	-
N Arthur*	-	-	-	-	-	-	-	-	-
S McKay**	-	-	-	-	-	-	-	-	-
D Sutich***	-	-	-	-	-	-	-	-	-
Total	-	124,998	124,998	-	-	-	-	124,998	-

All fees are GST exclusive and have been accrued in the Statement of Financial Position for services rendered for the period 1 September 2014 to 30 June 2015. The fees have not yet been paid to the directors and remain a liability of the company.

*Neill Arthur resigned on 26 August 2014

**Scott McKay resigned on 26 August 2014

***David Sutich resigned on 26 August 2014

⁽¹⁾Appointed 26 August 2014

Key Management Personnel

2015 (\$)	Short-term			Post - employment		Share – based payments	TOTAL	Value of options as proportion of remuneration (%)
	Salary	Fees / Comms	Total	Super-annuation benefits	Long Service Leave	Options		
G Seppelt	-	19,179	-	-	-	-	19,179	-
Total		19,179	-	-	-	-	19,179	-

Mr Seppelt is the Company Secretary

Directors' Report

Directors

2014 (\$)	Short-term			Post - employment			Share – based payments	TOTAL	Value of options as proportion of remuneration (%)
	Salary	Fees / comms	Total	Super- annuation benefits	Long Service Leave	Retire- ment Benefit	Options		
N Arthur	-	-	-	-	-	-	-	-	-
S McKay	-	-	-	-	-	-	-	-	-
D Sutich	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

No fees were paid to directors

Key Management Personnel

2014 (\$)	Short-term			Post - employment		Share – based payments	TOTAL	Value of options as proportion of remuneration (%)
	Salary	Fees / Comms	Total	Super- annuation benefits	Long Service Leave	Options		
G Seppelt	-	12,526	12,526	-	-	-	12,526	-
Total	-	12,526	12,526	-		-	12,526	-

Mr Seppelt is the Company Secretary

Managing Directors Service Agreement

By Agreement dated 26 August 2014 between the Company and Dalkeith Resources Pty Ltd (Dalkeith), a company controlled by Mr David Walker, the Company appointed Mr Walker as Managing Director of the Company with effect from 26 September 2014 for a term of two years. Under the terms of the Agreement Dalkeith will be paid a retainer of \$62,500 a year for Mr Walker's services, which will include the first 5 days each month of Mr Walker's engagement with the balance for days spent each month invoiced on a pro rate basis up to a maximum of 22 days per month.

Subsequent to the signing of the Agreement the Company and Dalkeith agreed to accrue fees at the same rate as for non-executive directors, viz, \$50,000 per year, in lieu of the nominated retainer, until such time as the Company had successfully raised funds under its proposed SPP Prospectus which was lodged as a Replacement Prospectus on 25 September 2015.

The Company may terminate the Agreement at any time by nine month's written notice to Dalkeith in which case Dalkeith will be entitled to fees to the date of termination but not for the unexpired term of the Agreement. The Company may also terminate the Agreement if Dalkeith is unable to supply the services for a period of four consecutive months or for cause, viz, serious breach, act of bankruptcy or conviction for an indictable offence.

Dalkeith may terminate the Agreement by seven days' notice to the Company if the Company breaches any of its obligations under the Agreement. It may also terminate if Mr David Walker ceases to be a director of the Company, if there is a change in ownership or control of the Company, on a vote or resolution of the board of directors and in the event of a spill motion or resolution presented.

Directors' Report

Share Based Compensation

The number of options over ordinary shares granted to and vested by directors as part of compensation during the year ended 30 June 2015 are set out below:

	Number of options granted during the year 2015	Number of options granted during the year 2014	Number of options vested during the year 2015	Number of options vested during the year 2014
Peter Hunt	3,000,000	n/a	3,000,000	n/a
David Walker	3,000,000	n/a	3,000,000	n/a
John Santich	3,000,000	n/a	3,000,000	n/a

Values of options over ordinary shares granted, exercised and lapsed for directors as part of compensation during the year ended 30 June 2015 are set out below:

	Value of options granted during the year 2015	Value of options exercised during the year 2015	Value of options lapsed during the year 2015	Remuneration consisting of options for the year 2015
Peter Hunt	NIL	-	-	NIL
David Walker	NIL	-	-	NIL
John Santich	NIL	-	-	NIL

Options

The terms and conditions of each grant of options over ordinary affecting remuneration of directors in this financial year are as follows:

No. Options	Grant Date	Vesting date and exercisable date	Expiry date	Fair value per option at grant date
3,000,000	14/11/14	14/11/14	22/10/17	NIL
6,000,000	14/11/14	14/11/14	22/10/19	NIL

Directors' Report

Performance income as a proportion of total remuneration

No performance-based bonuses have been paid to Directors or executives during the financial year. It is the intent of the Board to include performance bonuses as part of remuneration packages in the future.

Additional disclosure relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and company secretary including their personally related parties is set out below.

	Held at 1 July 2014	Purchases/(Sales)	share consolidation	Shares held on resignation as directors	Held at 30 June 2015
Peter Hunt	-	3,000,000	-	-	3,000,000
David Walker	-	38,190,000	-	-	38,190,000
John Santich	-	6,500,000 (3,500,000)	-	-	3,000,000
G Seppelt	-	-	-	-	-
N Arthur	5,819,081	-	(5,789,985)	29,096	-
S McKay	2,369,863	-	(2,358,013)	11,850	-
D Sutich	2,369,863	-	(2,358,013)	11,850	-
Total	10,558,807	44,190,000	(10,506,014)	52,796	44,190,000

Option Holding

The number of options over ordinary shares in the company held during the financial year by each director and company secretary including their personally related parties is set out below.

	Held at 1 July 2014	Granted	(Exercised)/ (Lapsed)/ Purchased	Held at 30 June 2015	Vested during the year	Vested and exercisable at 30 June 2015
Peter Hunt	-	(a) 1,000,000 (b) 2,000,000		3,000,000	3,000,000	3,000,000
David Walker	-	(a) 1,000,000 (b) 2,000,000		3,000,000	3,000,000	3,000,000
John Santich	-	(a) 1,000,000 (b) 2,000,000		3,000,000	3,000,000	3,000,000
N Arthur	1,500,000	-	(1,500,000)	-	-	-
Total	1,500,000	9,000,000	(1,500,000)	9,000,000	9,000,000	9,000,000

This concludes the remuneration report which has been audited.

Directors' Report

Shares Under Option

Unissued ordinary shares of UXA Resources Limited under option at the date of this report are as follows.

Unlisted options	Exercisable at 10 cents on or before 22 October 2017	18,000,000
Unlisted options	Exercisable at 15 cents on or before 22 October 2019	11,000,000
TOTAL UNLISTED OPTIONS		29,000,000

Options Terms

As at the date of this document there are on issue the following options:

- a) 18 million options exercisable at 10 cents by 22 October 2017;
- b) 11 million options exercisable at 15 cents by 22 October 2019; and

Included in a) and b) above was the granting of an additional 5.0 million options in each of the two classes of options approved at a meeting of shareholders held on 7 September 2015.

Directors' and Officers' Indemnification

During the financial year, the Company paid premiums to insure the Directors and Officers of UXA. No indemnity or premium was paid in respect of the auditor.

UXA has agreed to indemnify and keep indemnified the Directors and Officers of UXA against all liabilities incurred by the Directors or Officers as a Director or Officer of UXA and all legal expenses incurred by the Directors or Officers as a Director or Officer of UXA.

The indemnity applies to the extent and in the amount that the Directors or Officers are not indemnified under any other indemnity, including an indemnity contained in any insurance policy taken out by UXA, under the general law or otherwise.

The indemnity does not extend to any liability:

- to UXA or a related body corporate of UXA; or
- arising out of conduct of the Directors or Officers involving a lack of good faith; or
- which was incurred prior to January 2005 and which is in respect of any negligence, default, breach of duty or breach of trust of which the Directors or Officers may be guilty in relation to UXA or related body corporate.

Proceedings on behalf of UXA

No person has applied for leave of Court under section 237 of the Corporations Act 2001 to bring proceedings on behalf of UXA or intervene in any proceedings to which UXA is a party for the purpose of taking responsibility on behalf of UXA for all or any part of those proceedings.

UXA was not a party to any such proceedings during the year.

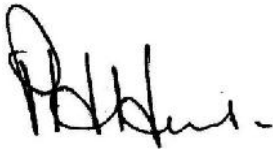
Directors' Report

Auditor's Independence Declaration

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 26 and forms part of the Directors' Report for the year ended 30 June 2015.

Auditor – Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of the directors, pursuant to section 298(2)(a) of the Corporations Act 2001.



Peter Hunt
Chairman
7 October 2015

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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF UXA RESOURCES LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of UXA Resources Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J.L. Humphrey*
Partner – Audit & Assurance

Adelaide, 7 October 2015

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2015

	Note	2015	2014
Revenue			
Total revenue		-	-
Other income	6	1,053,323	806,696
Operating Costs			
Professional fees		(32,170)	(166,051)
ASX/ registry expenses		(52,511)	(2,375)
Impairment expense – exploration expenditure		(188,630)	(5,047)
Insurance		(12,299)	-
Travel		(26,875)	(12,581)
Directors fees		(124,980)	-
Other expenses		(482,516)	(673,455)
Total expenses		(919,981)	(859,509)
Profit (Loss) before income tax expense from operating activities		133,342	(52,813)
Interest revenue		-	22,341
Interest expense		(10,059)	-
Net finance costs		(10,059)	22,341
Profit (Loss) before income tax		123,283	(30,472)
Income tax expense	9	-	-
Profit (loss) after income tax expense for the year		123,283	(30,472)
Other comprehensive income		-	-
Total comprehensive profit/(loss)		123,283	(30,472)
		Cents	Cents
Basic earnings & (loss) per share (cents)	24	0.00185	(0.006)
Diluted earnings & (loss) per share (cents)		0.00185	(0.006)

The statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2015

	Note	2015	2014
Assets			
Cash and cash equivalents	10	89,945	124,319
Trade and other receivables	11	84,908	42,174
Exploration and evaluation assets	12	1,125,660	1,131,536
TOTAL ASSETS		1,300,513	1,298,029
Liabilities			
Trade and other payables	13	491,256	1,470,939
Employee Entitlements	14	-	42,665
Loans and borrowings – Convertible Notes	19	-	1,152,241
Related Party Loans	19	412,912	453,346
TOTAL LIABILITIES		904,168	3,119,191
NET ASSETS/(LIABILITIES)		396,345	(1,821,162)
Equity			
Share capital	15	2,094,224	30,855,713
Reserves	16	-	1,268,361
Accumulated losses		(1,697,879)	(33,945,236)
TOTAL EQUITY		396,345	(1,821,162)

At a meeting of shareholders on 14 November 2014, the share capital of the company was reduced by \$30,855,715. The reduction was effected by cancelling capital which had been lost or is unrepresented by available assets.

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements

Statement of Cash Flows

For the year ended 30 June 2015

	Note	2015	2014
Cash flows from operating activities			
Receipts from customers		-	(52,161)
Cash payments to suppliers and employees		(720,509)	(537,081)
Interest received		335	22,341
Interest paid		-	(2,715)
Net cash used in operating activities	17	(720,174)	(569,616)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(214,763)	-
Proceeds from sale of fixed assets		-	855,280
Net cash from / (used in) investing activities		(214,763)	855,280
Cash flows from financing activities			
Proceeds from issue of share capital		940,997	-
Proceeds from convertible notes		-	150,000
Repayment of borrowings		(40,434)	(412,313)
Net cash from / (used in) financing activities		900,563	(262,313)
Net (decrease)/increase in cash and cash equivalents		(34,374)	23,351
Cash and cash equivalents at 1 July		124,319	100,968
Cash and cash equivalents at 30 June	10	89,945	124,319

The statement of cash flows is to be read in conjunction with the notes to the financial statements

Statement of Changes in Equity

For the year ended 30 June 2015

	Issued Capital	Accumulated Losses	Reserves	Total
Balance at 1 July 2014	30,855,713	(33,945,236)	1,268,361	(1,821,162)
Add:				
Profit for the year	-	123,283	-	123,283
Other comprehensive income	-	-	-	-
Total comprehensive profit for the year	-	123,283	-	123,283
Transaction with owners, recorded directly in equity				
Shares Issued	-	-	-	-
15% Placement	1,000	-	-	1,000
Issue to satisfy convertible notes	1,152,000	-	-	1,152,000
Issues approved by shareholders	948,540	-	-	948,540
Share issue costs to be confirmed	(7,316)	-	-	(7,316)
Capital reduction cancellation of lost capital	(30,855,713)	30,855,713	-	-
Transfer share based payments reserve to retained losses	-	1,268,361	(1,268,361)	-
Total contributions by and distributions to owners	(28,761,489)	32,124,074	-	2,094,224
Balance as at 30 June 2015	2,094,224	(1,697,879)	-	396,345
Balance at 1 July 2013	30,855,713	(33,914,764)	1,268,361	(1,790,690)
Total comprehensive loss for the year				
Loss for the year	-	(30,472)	-	(30,472)
Other comprehensive income				
Total other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	(30,472)	-	(30,472)
Transaction with owners, recorded directly in equity				
Total contributions by and distributions to owners	-	-	-	-
Balance as at 30 June 2014	30,855,713	(33,945,236)	1,268,361	(1,821,162)

The statement of changes in equity should be read in conjunction with the notes to the financial statements

Notes to the Financial Statements

1. Reporting entity

UXA Resources Limited (UXA) is a company domiciled in Australia. The address of UXA's registered office is 7th Floor, 420 King William Street, Adelaide SA 5000. The financial statements of the Company are as at and for the year ended 30 June 2015.

2. Basis of preparation

(a) Realisation basis of preparation

Based on current forecasts and existing financing arrangements, there is significant uncertainty as to the Company's ability to meet its ongoing operating and financing commitments over the foreseeable future. Consequently, the financial statements have not been prepared on a 'going concern' basis but rather have been prepared on an 'alternate' basis representing a planned orderly realisation of assets and settlement of liabilities.

As at 30 June 2015 the Company had accumulated losses of \$1.698 million, and net assets of \$0.396 million. In addition, the Company had operating and investing cash outflows of \$0.935 million for the year with cash and cash equivalents of \$0.089 million at 30 June 2015.

The Company is suspended from trading on the Australian Stock Exchange (ASX). The Company has lodged a share purchase plan prospectus which once completed will allow the Company's suspension to be lifted.

(i) Realisation basis of accounting

The 'realisation basis' of accounting adopted by the Company in the preparation of its financial statements continues to apply the requirements of Australian Accounting Standards taking into account that the Company is not expected to continue as a going concern in its present form in the foreseeable future.

As the non-current assets do not meet the requirements for held for sale or discontinued operations under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, they continue to be recognised as non-current assets at cost, less impairment losses. However, the adoption of the alternative basis of accounting representing a planned orderly realisation of assets and settlement of liabilities has resulted in a change in the method of assessing the recoverable value of certain intangible and non-monetary assets which have required impairments in accordance with AASB 136 *Impairment of Assets*. The carrying value of assets at 30 June 2015 reflects the directors' assessment of recoverable value (or amortised cost if lower than recoverable value) based on fair value less costs to sell.

Loans and borrowings and Other Payables have been classified as current liabilities at 30 June 2014.

No additional provisions or liabilities have been recognised as a result of adopting the alternate basis of accounting as the Directors have not incurred any additional legal or contractual obligations.

The valuation of assets and liabilities included in these financial statements have been shown to reflect the subsequent event transactions that are known.

Notes to the Financial Statements

2. Basis of preparation (cont)

(b) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASBs") (including Australian Interpretations) adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The financial report also complies with the International Financial Reporting Standards (IFRS) and Interpretations adopted by the International Accounting Standards Board.

The financial statements were approved by the Board of Directors on 30 September 2015.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(d) Functional and presentation currency

The financial report is presented in Australian dollars.

(e) Use of estimates and judgement

The preparation of a financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 2(a) – Alternate basis of accounting

Note 9 – Tax loss recoupment

Note 12 – Recoverability of exploration and evaluation assets

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(a) Net finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in profit or loss using the effective interest method.

Notes to the Financial Statements

3. Significant accounting policies (cont)

(b) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(c) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(d) Share capital

Ordinary shares

Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

Notes to the Financial Statements

3. Significant accounting policies (cont)

(e) Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Companies that share similar credit risk characteristics.

Non-financial assets

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash generating unit is the smallest identifiable asset that generates cash flows that largely are independent from the other assets and Companies. Impairment losses are recognised in the profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Calculation of recoverable amount

The recoverable amount of assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(f) Exploration and evaluation assets

Exploration and evaluation costs, including the costs of acquiring licences, initially are capitalised as either tangible or intangible exploration and evaluation assets on an area of interest basis. When a licence is relinquished the related costs are recognised in profit or loss immediately. Costs incurred before UXA has obtained the legal rights to explore an area are recognised in the profit or loss.

Exploration and evaluation assets are only recognised if:

- i. the rights to tenure of the area of interest are current; and
- ii. the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or

Notes to the Financial Statements

3. Significant accounting policies (cont)

Exploration and evaluation assets (cont)

- iii. activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or other wise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation assets only to the extent that those costs can be related directly to the operational activities in the area of interest to which the exploration and evaluation assets relate. In all other instances, these costs are expensed as incurred.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy (i)). For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

The recoverability of the carrying amounts of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternatively, sale of the respective area of interest.

(g) Employee benefits

Defined contribution superannuation funds

Obligations for contributions to superannuation funds under the Superannuation Guarantee are recognised as an expense in profit or loss when they are due.

Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that UXA expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to UXA as the benefits are taken by the employees. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if UXA has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Company at 30 June 2015 had no employees and any employee entitlements were the responsibility of the Administrator.

Long-term benefits

The Company has nil provision for Long Service Leave on the basis that there were no employees that had more than three years employment service. The Company's net obligation in respect of no long-service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value. The Company will reassess the need for such a provision on an annual basis.

Notes to the Financial Statements

3. Significant accounting policies (cont)

(h) Share-based payments

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the options. The amount recognised is adjusted to reflect the actual number of share options that vest, except for those that fail to vest due to market conditions not being met.

There were share based payments transactions in the period ended 30 June 2015. Refer to notes to Financial Statements (note 21).

(i) Earnings per share

UXA presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary Shareholders of UXA by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary Shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(j) Revenue and income

Other Income

Gains and losses on disposal of an item of property, plant and equipment, and exploration and evaluation assets are determined by comparing the proceeds from disposal with the carrying amount of the item and are recognised within Other Income in profit and loss.

Other income also includes any gains made from the loss of control of former subsidiaries.

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less. Cash assets are carried at face value of the amounts deposited or drawn.

(l) Trade and other receivables

Trade and other receivables are recognised at cost and carried at original invoice amount less allowances for impairment losses.

(m) Trade and other payables

Liabilities are recognised at their amortised cost for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

(n) Financial instruments

(i) Convertible notes

Convertible notes issued by the Company are financial instruments that will or may be settled in the Company's own equity instruments. The number of equity instruments varies, on conversion, so that the total fair value of the equity instruments delivered is equal to the amount of the contractual obligation. The financial liability is recognised initially at fair value and subsequent to recognition, is measured at amortised cost.

Notes to the Financial Statements

3. Significant accounting policies (cont)

(n) Financial instruments (cont)

The financial liability will be classified as current when the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting period. Terms of a liability that could at the option of the holder, result in its settlement by issue of equity instruments do not affect its classification.

(ii) Non-derivative financial liabilities

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

(o) New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the Consolidated Entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

(p) New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures.

Notes to the Financial Statements

3. Significant accounting policies (cont)

(p) New Accounting Standards and Interpretations not yet mandatory or early adopted(cont)

The entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the entity.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The entity will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by the entity.

4. Financial risk management

Overview

The Company has exposure to the following risks from their use of financial instruments:

- liquidity risk
- operational risk.

This note presents information about Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and their management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk Management framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Company Board oversees compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Notes to the Financial Statements

4. Financial risk management (cont)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand or finance facilities to meet expected operational expenses, including the servicing of financial obligations.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

Capital management

The Board's policy and objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business to attempt to meet their objective. The policy has not changed from the previous annual report.

5. Contingent Liabilities and Contingent Assets

The Company does not have any contingent assets or liabilities.

6. Other Revenue

	2015	2014
Gains recognised on loss of control of former subsidiaries	-	796,990
Other income	-	9,706
Gain on release from creditors (a)	1,053,323	-
	1,053,323	806,696

(a.): Deed of Company Arrangement "DOCA" – Effectuation of DOCA

	2015
Creditors and employee entitlements transferred to Creditors Trust	1,253,323
Less :Payment to Creditors Trust	(200,000)
Total Creditors foregone as party of DOCA - Gain	1,053,323

Notes to the Financial Statements

7. Operating Segments

During the 2014 financial year the Company reverted to a sole purpose exploration company. As a result the Company operated one reportable segment during the year ended 30 June 2014 and 2015 for the exploration business.

8. Auditor's remuneration

Audit services	2015	2014
<i>Auditors of UXA – Grant Thornton</i>	31,000	20,000
<i>Auditors of UXA – KPMG*</i>	-	100,000

*Payment to KPMG relates to amounts paid or accrued in relation to the 2013 audit.

Other services

Non-audit services	-	-
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Notes to the Financial Statements

9. Taxation

	2015	2014
Income tax expense:	-	-
Current tax	-	-
Deferred tax	-	-
Under/(over) provision in prior years	-	-
	-	-
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax payable on profit before income tax at 30%	37,401	9,141
Add:		
Tax effect of:		
- other non-allowable items	-	-
- unused tax losses and tax offsets not recognised as deferred tax assets	(37,401)	(9,141)
	-	-
Income Tax benefit attributable to entity	-	-

	2015	2014
Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
- Capitalised exploration costs	1,125,660	1,131,536
- Set off of deferred tax balances	(1,125,660)	(1,131,536)
	-	-
Balance after set off of deferred tax assets and liabilities	-	-

Deferred tax assets have not been recognised in respect of tax losses or temporary differences because it is not yet probable as defined in AASB 112 Income Taxes that future taxable profit will be available against which the Company can utilise benefits from the tax losses and that the Company continues to meet the continuity of ownership test and /or same business test.

Notes to the Financial Statements

10. Cash and cash equivalents

	2015	2014
Cash and cash equivalents	11,817	124,319
Deposit – NTDME	78,128	-
	<u>89,945</u>	<u>124,319</u>

11. Trade and other receivables

Current

GST receivable	84,908	42,174
	<u>84,908</u>	<u>42,174</u>

12. Exploration and evaluation

Cost	2015	2014
Balance at beginning of year	1,131,536	1,207,678
Expenditure in the year	-	-
Amounts written off in the year	(5,876)	(76,142)
Balance at end of year	<u>1,125,660</u>	<u>1,131,536</u>

Estimates and assumptions

Determining the recoverability of exploration and evaluation capitalised in accordance with the Company's accounting policy (note 3(i)) requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. Critical to this assessment is estimates and assumptions as the mineralisation of the area of interest, the timing of expected cash flows, commodity prices and future capital requirements. Changes in these estimates and assumptions as new information about the presence or recoverability of a mineral reserve becomes available may impact the assessment of the recoverable amount of exploration and evaluation assets.

The recoverability of the carrying amount of \$1,125,660 is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

13. Trade and other payables

	2015	2014
Trade payables	279,528	1,177,651
Other payables and accruals	211,728	293,288
	<u>491,256</u>	<u>1,470,939</u>

14. Employee entitlements

Liability for annual leave	-	42,665
Liability for long service leave	-	-
	<u>-</u>	<u>42,665</u>

Notes to the Financial Statements

15. Equity – issued capital

2015	No. Shares	\$	No. Options
Balance at 1 July 2014	886,744,784	30,855,713	6,500,000
Share placement	130,000,000	1,000	-
Consolidation of shares 1 for 200 (post consolidation)	5,084,255	30,856,713	32,500
Options expired	-	-	(32,500)
Loss of capital approved by shareholders	-	(30,855,713)	-
Issue of shares pursuant to resolution passed by shareholders	56,040,000	1,752,540	-
Issue of fully paid ordinary shares and options approved by shareholders	6,960,000	348,000	19,000,000
Share issue costs		(7,316)	
Balance at 30 June 2015	68,084,255	2,094,224	19,000,000

2014	No. Shares	\$	No. Options
Balance at 1 July 2013	886,744,785	30,855,713	6,500,000
Issue of fully paid ordinary shares	-	-	-
Balance at 30 June 2014	886,744,785	30,855,713	6,500,000

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at Shareholder meetings. The issued ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

In the event of winding up of UXA, ordinary Shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

16. Equity - reserves

	2015	2014
Equity Compensation Reserve		
Balance at beginning of year	1,268,361	1,268,361
Transfer of share based payments reserve to retained losses	(1,268,361)	-
Balance at end of year	-	1,268,361

Notes to the Financial Statements

17. Reconciliation of cash flows from operating activities

	2015	2014
Profit (Loss) for the year	123,283	(30,472)
Adjustments for:		
Impairment of exploration expenditure	188,630	-
Non-cash items included in other expenses	-	(2,022)
Exploration expenditure written off	-	(76,142)
Gain on windup of subsidiaries	-	(796,990)
Balance of creditors liability foregone	(1,053,323)	-
Asset write down	-	5,047
Operating profit/(loss) before changes in working capital and provisions	(741,410)	(900,579)
Change in trade and other receivables	(37,611)	42,459
Change in trade and other payables / provisions	58,847	288,504
Net cash used in operating activities	(720,174)	(569,616)

18. Financial instruments

The Company has no financial risk arising from financial instruments, other than cash, term deposits, trade and other receivables, trade and other payables and borrowings. Exposure to credit and interest rate risks arise in the normal course of UXA's business. Trade payables are all payable within two months.

Notes to the Financial Statements

18. Financial instruments (cont)

(a) Interest rate risk

UXA has an exposure to future interest rates on cash and cash equivalents as a result of changes in market interest rates. A 1% movement in interest rates would have NIL impact on profit and loss for the year, based on the closing level of cash held. UXA does not use derivatives to mitigate these exposures. The fixed rate loan facilities are not exposed to fluctuations in market interest rates.

2015

Variable rate instruments

Cash and cash equivalents	89,945
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Net financial assets	89,945
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Fixed rate instruments

Current financial liabilities	-
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Net fixed rate instruments	-
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2014

Variable rate instruments

Cash and cash equivalents	124,319
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Net financial assets	124,319
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Fixed rate instruments

Current financial liabilities	1,152,241
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Net fixed rate instruments	1,152,241
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(b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security in respect of recognised trade and other receivables and cash and cash equivalents, is the carrying amount as disclosed in the statement of financial position and notes to the financial statements.

Notes to the Financial Statements

18. Financial instruments (cont)

(c) Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments:

Non-derivative financial liabilities

2015	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Related Party Loans (note 20)	412,912	412,912	412,912	-	-	-
Trade and other payables	491,256	491,256	491,256	-	-	-
Total	904,168	904,168	904,168	-	-	-

Non-derivative financial liabilities

2014	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
La Jolla & ASOF convertible notes	1,152,241	1,152,241	1,152,241	-	-	-
Unsecured loan	453,346	453,346	453,346	-	-	-
Trade and other payables	1,470,939	1,470,939	1,470,939	-	-	-
	3,076,526	3,076,526	3,076,526	-	-	-

(d) Fair values

The fair values of the financial assets and financial liabilities approximate their carrying values.

No financial assets or financial liabilities are readily traded on organised markets. All financial liabilities (payables) are expected to be settled within two months of balance date.

19. Loans and borrowings

	2015	2014
Related Party Loans – refer note 20	412,912	453,346
Convertible notes – La Jolla	-	702,241
Convertible notes – ASOF	-	450,000
	412,912	1,605,587

Notes to the Financial Statements

20. Related party transactions

Key management personnel

The following were key management personnel of the Group during the year:

Directors	
P Hunt	Chairman – Non Executive
D Walker	Director – Executive
J Santich	Director – Non-Executive
N Arthur	Resigned – 26 August 2014
S McKay	Resigned – 26 August 2014
D Sutich	Resigned – 26 August 2014
Other Key Management Personnel	
G Seppelt	Company Secretary

Summary of compensation

	2015	2014
Short-term employee benefits	144,177	12,526
Other long term benefits	-	-
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total	144,177	12,526

No loans were made to any key management personnel during the period. Details of the nature and amount of the remuneration of each Director and other key management personnel are set out in the Remuneration Report.

Short term benefits in the table above includes the following payments made for consulting and other services to related entities of the following Directors:

Summary of compensation

Director	Transaction	2015	2014
John Santich	Legal Expenses	35,000	n/a
David Walker	Interest / Dalkeith loan	10,059	n/a
Total		45,059	-

All transactions were on normal commercial terms. No other Key Management Personnel transactions occurred during the year.

Notes to the Financial Statements

20. Related party transactions (cont)

Related Party Loans

As at 30 June 2015 the following entities related to David Walker, a director of the Company appointed as from 26 August 2014 had advanced loan monies at call to the Company as follows:

Palgrave Resources Ltd	8,682
Dalkeith Resources Pty Ltd	404,230
	412,912

Note in respect to the Palgrave Resources Limited loan, Peter Hunt and John Santich were also directors of this company. The Dalkeith loan had interest accrued of \$10,059 which was included in trade creditors at 30 June 2015.

21. Share Based Payments

During the year ended 30 June 2015 the company issued the following equity instruments share based payments:

	Number of shares	Fair value	Number of options	Fair value
1. The issue of shares and options to Lind - ASOF in consideration for a convertible note liability. The options have an exercise price of \$0.10 per option and expiry of 22 October 2017.	2,300,000	453,346	5,000,000	-
2. The issue of shares and options to La Jolle Cove in consideration for a convertible note liability. The options have an exercise price of \$0.10 per option and expiry of 22 October 2017.	1,000,000	702,241	5,000,000	-
3. Shares issued in lieu of loan repayments.	3,000,000	3,000	-	-
4. Shares issued in lieu of fees and expense reimbursement.	33,500,000	335,000	-	-
5. Issue of shares to directors pursuant to shareholder approval at EGM	9,000,000	9,000	-	-
6. Issue of Options to directors pursuant to shareholder approval at EGM :				-
(a) Options have an exercise price of \$0.10 per option and expiry of 22 October 2017	-	-	3,000,000	-
(b) Options have an exercise price of \$0.15 per option and expiry of 22 October 2019	-	-	6,000,000	-
Total				

For the options granted during the period, the model valuation inputs used to determine the fair value at the grant date were as follows:

	Item 1 & 2	Item 6	Item, 7
Expiry date	22 Oct 17	22 Oct 17	22 Oct 19
Share price at grant date	\$0.00001	\$0.00001	\$0.00001
Exercise price	\$0.10	\$0.10	\$0.15
Expected volatility	100%	100%	100%
Risk free rate	2.57%	2.57%	2.57%
Fair value	\$0.00	\$0.00	\$0.00

Notes to the Financial Statements

22. Subsequent Events

General Meeting of Shareholders

A General Meeting of Shareholders of the Company held on 7 September 2015 approved all resolutions 1 to 8 set out in a Notice of Meeting dated 3 August 2015. The following resolutions will have an affect of the financial accounts of the Company for the year ended 30 June 2016:

- Resolution 2, issue of shares under a Prospectus
Approval was given for the Company to raise up to \$3.2 million under a Prospectus through the issue of shares at an issue price of 10 cents per share which if the maximum is raised would result in an additional 32 million shares on issue
- Resolution 6, issue of options in payment of loan establishment fees
Approval was given for the issue of 10 million options to Dalkeith Resources Pty Ltd in lieu of payment of loan establishment fees being (i) 5 million options over ordinary shares in the Company exercisable at \$0.10 per share at any time up to 22 October 2017 and (ii) 5 million options over ordinary shares in the Company exercisable at \$0.15 per share at any time up to 22 October 2019.
- Resolution 7, conversion of loan to shares
Approval was given for the issue of 5 million shares within one month of approval to Dalkeith Resources Pty Ltd in lieu of loan repayment. Dalkeith has the right to convert up to \$250,000 at a price of \$0.05 per share.

23. Going Concern

The financial report which has been prepared on the basis of the alternate basis of accounting representing a planned orderly realisation of assets and settlement of liabilities has resulted in the recoverable value of certain intangible and non-monetary assets being determined based on the Directors' assessment of fair value less cost to sell required impairments in accordance with AASB 136 Impairment of Assets. The Company reported a profit after tax of \$123,283 (2014: loss of \$30,471) for the year ended 30 June 2015 following recognition of a once off gain relating to the transfer of creditors and employee entitlements to the creditors trust.

The Company's ability to continue as a going concern is contingent upon the successful raising of additional share capital and the continued support provided by related party loans. If additional funds are not raised and financial support not provided, the going concern basis may not be appropriate, with the result that the Company may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

Notes to the Financial Statements

24. Earnings per Share

	2015 cents	2014 cents
Basic earnings (loss) per share	0.00185	(0.0006)
Diluted earnings (loss) per share	0.00185	(0.0006)
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	68,084,255	4,097,472

The calculation of basic and diluted earnings per share at 30 June 2015 was based on the profit for the year according to the Statement of Profit or Loss and Other Comprehensive Income. Options on issue were not considered to be dilutive so the calculation of diluted earnings per share was based on the weighted average of ordinary shares issued.

Directors' Declaration

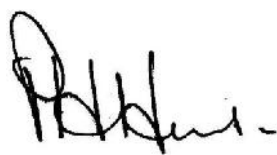
In the opinion of the Directors of UXA Resources Ltd ("the Company"):

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors, dated at Adelaide this 7th day of October 2015.

A handwritten signature in black ink, appearing to read 'Peter Hunt', with a horizontal line extending from the end.

Peter Hunt
Chairman

Level 1,
67 Greenhill Rd
Wayville SA 5034

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UXA RESOURCES LIMITED

Report on the financial report

We have audited the accompanying financial report of UXA Resources Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of UXA Resources Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Emphasis of matter – Realisation basis of accounting

Without modifying our opinion, we draw attention to the Basis of Preparation (realisation basis) in Note 2(a) to the financial report, which indicates that the company has decided to continue preparing the financial statements on the realisation basis until such time as the restructure and recapitalisation is complete.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2015. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of UXA Resources Limited for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 7 October 2015

Shareholder Information

Additional Information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholdings as at 29 September 2015

Substantial shareholders

The following were substantial shareholders as at 29 September 2015:

Name	Number of fully paid ordinary shares held	% held
Dalkeith Resources Pty Ltd	20,190,000	29.38
Mr David Anthony Walker	18,000,000	26.44
Aerospace Finance Pty Ltd	3,500,000	5.14

Voting Rights

Fully paid ordinary shares

Subject to any rights or restrictions attached to any class of shares, at a meeting of members, each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Distribution of equitable securities

Analysis of equitable security holders by size of holding:

Category	Holders of Ordinary Shares
1 – 1000	2,427
1,001 – 5,000	67
5,001 – 10,000	78
10,001 – 100,000	23
100,001 – 99,999,999	8
Total number of security holders	2,603

Unmarketable Parcels

	Minimum Parcel Size	Number of Holders
Ordinary Shares	\$500.00 at \$0.002/unit	2,365

On market buy-back

There is no current on-market buy back.

Statement of Quoted Securities

All of the 68,084,255 ordinary fully paid shares are listed on the Australian Securities Exchange Limited. Application for quotation of fully paid ordinary shares will be made to Australian Securities Exchange Limited when unlisted options are exercised.

Shareholder Information

Twenty largest shareholders

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the Australian Securities Exchange Limited including the number and percentage held by those at 29 September are as follows:

Name	Number of fully paid ordinary shares held	% held
Dalkeith Resources Pty Ltd	20,190,000	29.38
Mr David Anthony Walker	18,000,000	26.44
Aerospace Finance Pty Ltd	3,500,000	5.14
Hunt Corporate Investments Pty Ltd	3,000,000	4.41
Sheoak Runner Pty Ltd	3,000,000	4.41
Dr John Henry Addison McMahon	2,415,916	3.55
Bby Nominees Limited	2,300,000	3.38
La Jolla Cove Investors Inc	1,194,458	1.75
Express Discovery Pty Ltd	1,000,000	1.47
G & P Moore Investments Pty	900,000	1.32
Mithrandir Pty Ltd	900,000	1.32
Darwin Sealant Specialist Pty	500,000	0.73
Dash Corp Pty Ltd	500,000	0.73
Ethicsline Aust Pty Ltd	500,000	0.73
Mr Joseph Bandiziol	402,718	0.59
Mr Alan David Keith Dean	300,000	0.44
Matar Super Fund Pty Ltd	300,000	0.44
Noxville Pty Ltd	300,000	0.44
Stephanie Grose Advertising	300,000	0.44
TOTAL	60,503,092	87.11
Other shareholders (2,583)	7,581,163	12.89
Total number of shares issued	68,084,255	100

Unquoted Securities

Options over Unissued Shares

A total of 29,000,000 share options are on issue as at 29 September 2015.

Name	Number of Options Held	% Held
Australian Special opportunity Fund, LP	5,000,000	17.24
La Jolla Cove Investors Inc	5,000,000	17.24
Dalkeith Resources Pty Ltd	13,000,000	44.82
Natjo Nominees Pty Ltd	3,000,000	10.35
John Reginald Santich	3,000,000	10.35
TOTAL	29,000,000	100.00

Voting Rights

Options

Option holders will be entitled on the payment of the exercise price to be allotted one ordinary fully paid share in the company for each Option exercised. Any Options not exercised before expiry will lapse.

Company Directory

Directors	Peter Hunt (Chairman) David Walker (Managing Director) John Santich (Non-Executive Director)
Secretary	Graham Seppelt
Australian Business No.	65 112 714 397
Registered Office	Level 7 / 420 King William Street Adelaide South Australia 5001 AUSTRALIA Mobile Phone: 0419 035 297 Fax: +61 8 7324 6111 Email: seppelt@bold.net.au
Website	Web: www.uxaresources.com.au
Auditor	Grant Thornton Audit Pty Ltd 67 Greenhill Road Parkside SA 5067
Tax Advisors	PricewaterhouseCoopers 91 King William Street Adelaide SA 5000
Share Registry	Computershare Investor Services Pty Ltd Level 3 60 Carrington Street Sydney NSW 2000